

## **Section 02 Definitions**

### **A. Principles**

1. **Purpose and Scope.** This section of the Grants Policy Directives (GPDs) provides definitions of terms commonly used in the management of HHS financial assistance programs and the award and administration of HHS grants and cooperative agreements. It also provides abbreviations, including acronyms, frequently encountered in grants management.

This GPD also serves as Chapter 1.02.102 of the Awarding Agency Grants Administration Manual (AAGAM). This GPD/AAGAM chapter is not intended to be an all-inclusive listing, but provides grants management staff and program administrators, as well as other departmental staff, with a single reference source for many of the definitions and abbreviations applicable to grants management.

Most of the definitions in this GPD/AAGAM chapter are based on, or are consistent with, definitions in Office of Management and Budget (OMB) issuances pertinent to grants (as implemented by Department of Health and Human Services [HHS]). Regardless of their source, some definitions have been modified to reflect common usage within HHS. Where usage is HHS-specific, that will be stated. If a definition in this GPD/AAGAM chapter varies from that found in a statute or regulation, the statutory or regulatory definition will be controlling.

2. **Organization and Content of Definitions.** The definitions in this GPD/AAGAM chapter are listed in alphabetical order. Because it is a reference document, this GPD/AAGAM Chapter minimizes the use of abbreviations within the definitions. It also does not provide the policy content related to individual definitions, which can be found in relevant GPDs and AAGAM chapters.

3. **Internal Implementation.** If an Operating Division (OPDIV) wants to modify any of these definitions, use alternate definitions for the terms defined in this GPD, or use definitions in addition to those presented in this GPD, they should be submitted to the Office of Grants Policy, Oversight, and Evaluation (OGPOE) for consideration by the Policy Work Group and potential HHS-wide adoption or, alternatively, OGPOE approval of a deviation for the requesting OPDIV (see GPD 1.01).

## **B. Definitions**

**Accrual Basis** - An accounting method in which revenues and expenses are identified with specific periods of time, such as a month or year, and are recorded when they are earned or incurred, without regard to the date of receipt or payment of cash. Accrual basis is distinguished from cash basis.

**Accrued Expenditures** - The charges incurred by a recipient during a given period requiring the provision of funds for:

- (1) goods and other tangible property received;
- (2) services performed by employees, contractors, subrecipients, or other payees; and
- (3) other amounts owed for which no current service or performance is required, such as annuities, insurance claims, and other benefit payments.

**Acquisition Cost** – The cost of an asset, including the cost to put it in place. When used with equipment (capital expenditure), the term means the net invoice price of property or supplies including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, are included or excluded from the unit acquisition cost in accordance with the recipient's regular accounting practices.

**Addition Alternative** - A use of program income earned during or after the project period that permits the income to be added to funds committed to the project or program by an OPDIV and the recipient and used to further eligible project or program objectives (see also "Deduction Alternative" and "Cost Sharing or Matching Alternative").

**Administrative Requirements** - The general business management practices that are common to the administration of all grants, such as financial management, reporting, equipment management, and retention of records.

Advance Payment- A payment made to a recipient before the recipient disburses the funds for program purposes.

Allocable Cost - A cost that is allocable to a particular cost objective (that is, a specific function, grant project, service, department, or other activity) in accordance with the relative benefits received. A cost is allocable to a Federal award where it is treated consistently with other costs incurred for the same purpose in like circumstances and (1) is incurred specifically for the award; or (2) benefits both the award and other work and can be distributed in reasonable proportion to the benefits received; or (3) is necessary to the overall operation of the organization.

Allowable Cost - A cost incurred by a recipient that is:

- (1) reasonable for the performance of the award;
- (2) allocable;
- (3) in conformance with any limitations or exclusions set forth in the Federal cost principles applicable to the organization incurring the cost or in the Notice of Award as to type or amount of cost;
- (4) consistent with regulations, policies and procedures of the recipient that apply uniformly to both federally supported and other activities of the organization;
- (5) accorded consistent treatment as a direct or indirect cost;
- (6) determined in accordance with generally accepted accounting principles; and
- (7) not included as a cost in any other federally supported award (unless specifically authorized by statute).

Alteration and Renovation - Work that changes the interior arrangements or other physical characteristics of an existing facility or installed equipment so that it can be more effectively used for its currently designated purpose or adapted to an alternative use to meet a programmatic requirement.

Alternative Dispute Resolution - A process whereby mediation or other techniques are used to avoid or resolve disputes in lieu of more formal techniques or judicial resolution.

Amended (Revised) Application - An unfunded application that the applicant has modified following objective review and has resubmitted for a subsequent review cycle. For purposes of the SF 424, this type of application is termed a "resubmission."

Amount Received for Trade-In - The amount that would have been paid for replacement equipment without a trade-in, minus the amount paid with the trade-in. The term refers to the actual difference, not necessarily the trade-in value shown on an invoice.

Applicable Credit - Those receipts that offset or reduce direct or indirect costs. Typical examples of such transactions include purchase discounts, rebates, or allowances; recoveries or indemnities on losses; insurance refunds; and adjustments of overpayments or erroneous charges.

Application - A request for financial support of a project, program, or activity submitted to HHS on specified forms and in accordance with instructions provided by the HHS awarding office.

Apportionment - The process whereby the Office of Management and Budget divides the total available appropriation into segments, usually quarterly, and makes that segment available to the Federal agency for obligation.

Appropriation Act - The statute that provides the authority for Federal agencies to incur obligations and to make payments out of the U.S. Treasury for specified purposes.

Approval or Authorization of the Awarding or Cognizant Federal Agency - The documentation, whether an approved application, approved indirect cost rate or cost allocation plan, or post-award prior-approval request, evidencing written consent by the designated Federal official (for example, the Grants Management Officer or cognizant agency for indirect costs) for a recipient to incur a specific cost or take an action that requires prior approval.

Approval List - A list sent by the program management office to the Grants Management Officer showing which grant applications on the list are approved for funding and in what order.

Approved Budget - The financial expenditure plan for a grant-supported project, program, or activity, including revisions approved by the OPDIV and permissible revisions made by the recipient. The approved budget consists of Federal funds and, if required by the terms and conditions of the award, non-Federal participation (in the form of matching or cost sharing).

Approved Project/Program/Activities - Those activities specified or described in a grant application, plan, or other document that are approved by an OPDIV for funding, or changes that may be made by the recipient under an expanded authority or proposed by the recipient (when HHS prior approval is required) and subsequently approved by the Grants Management Officer.

Approving Official - The individual with the delegated authority to make funding decisions for a given program.

Assurance - A written statement by an organization, either on a project or organization-wide basis, as determined by the governing requirement, , indicating that the entity is in compliance with or will abide by a particular requirement if a grant is awarded.

Audit Resolution - The process of resolving audit findings, including those related to management and systems deficiencies and monetary findings (that is, questioned costs).

Authorizing Statute - The statute that provides the authority to establish a Federal financial assistance program or particular award, for example, an earmark, and, either in general or specific terms, provides programmatic requirements, such as eligibility and allowable activities.

Authorized Organizational Representative - The individual(s), named by the applicant/recipient organization, who is authorized to act for the applicant/recipient and to assume the obligations imposed by the Federal laws, regulations, requirements, and conditions that apply to grant applications or awards.

Award - The document that provides OPDIV funds to a recipient to carry out an approved program or project (based on an approved application or performance/progress report). The term, when used as a noun, is sometimes used interchangeably with “grant.”

Award File - The official file for each grant, maintained by the grants management office, that contains all significant documents and correspondence related to the award. This also is known as the “grant file.”

Awarding Agency Grants Administration Manual (AAGAM) - A manual developed by the HHS OPDIVs (through the HHS Policy Work Group) that implements and supplements the HHS GPDs by providing detailed policies and procedures, sample documents, and other tools.

Awarding Office - The OPDIV organizational component responsible for the business management and non-programmatic aspects of the award and administration of grants.

Block Grant - A type of mandatory grant where the recipients (normally States) have substantial discretion over the type of activities to support, with minimal Federal administrative requirements or restrictions.

Budget Periods - The intervals of time (usually 12 months) into which a project period is divided for budgetary and funding purposes. Funding of individual budget periods sometimes is referred to as “incremental funding.” The budget period also is the “period of funding availability” as specified in 45 CFR part 74 and 92.

Carryover - Unobligated Federal funds remaining at the end of any budget period that, with the approval of the GMO or under an expanded authority, may be carried forward to another budget period to cover allowable costs of that budget period (whether as an offset or additional authorization). Obligated, but unliquidated, funds are not considered carryover. (See also “Expanded Authorities.”)

Cash Basis - An accounting method in which revenues and expenses are recorded on the books of account when received and paid, respectively, without regard to the period in which they are earned or incurred. Cash basis is distinguished from accrual basis.

Cash Contribution - The recipient’s cash outlay, including the outlay of money contributed to the recipient by third parties.

Catalog of Federal Domestic Assistance - A government-wide compendium published by the General Services Administration (available on-line in searchable format as well as in printable format as a .pdf file) that describes domestic assistance programs administered by the Federal government.

Central Contractor Registration - The primary business information database for those doing business with the Federal government.

Change in Scope - An activity whereby the objectives or specific aims identified in the approved grant application are significantly changed by the recipient after award. GMO prior approval is required for a change in scope to be allowable under an award.

Change of Principal Investigator/Project Director - An activity, usually initiated by a recipient, whereby the federally approved principal investigator/project director is replaced by another individual with the approval of the GMO.

Change of Recipient - A process, also referred to as “change of grantee,” used to transfer the legal and administrative responsibility for a grant-supported project or program from one legal entity to another before the ending date of the approved project period for the grant being transferred.

Chief Grants Management Officer - A Grants Management Officer within an OPDIV who is the principal Grants Officer in that OPDIV. GPDs and the AAGAM specify authorities that are reserved to the Chief Grants Management Officer.

Clinical Research - Patient-oriented research (that is, research conducted with human subjects or on material of human origin such as tissues, specimens, and cognitive phenomena) in which a researcher directly interacts with human subjects. Clinical research includes epidemiologic and behavioral studies, outcomes research, and health services research. Studies falling under 45 CFR 46.101(a)(4) are not considered clinical research for purposes of this definition.

Clinical Trial - A biomedical or behavioral research study of human subjects that is designed to answer specific questions about biomedical or behavioral interventions (drugs, treatments, devices, or new ways of using known drugs, treatments, or devices). A clinical trial may proceed through four phases: I-testing in a small group of people to determine efficacy and evaluate safety; II-study in a larger group of people to determine efficacy and further evaluate safety; III-study to determine efficacy in large groups of people by comparing the intervention to other standard or experimental interventions, to monitor adverse effects, and to collect information to allow safe use; and IV-studies done after the intervention has been marketed to monitor the effectiveness of the approved intervention in the general population and to collect information about any adverse effects associated with widespread use.

Closed-Ended Entitlement Grant - A type of mandatory grant where the award amount constitutes an upper limit on the amount of funds the Federal government may pay for allowable programmatic activities. (See also "Open-ended Entitlement Grant.")

Closeout - The process by which a Federal awarding agency determines that all applicable administrative actions and all required work under an award have been completed by the recipient and the Federal awarding agency.

Code of Federal Regulations - The codified regulations of the Federal government based on the final agency regulations published in the *Federal Register*.

Co-Funding - An agreement by two or more OPDIVs (OPDIV components) to jointly participate in the support of a financial assistance award for which each participating agency has the required authorizing legislation.

Cognizant Agency - The Federal agency which, on behalf of all Federal agencies, is responsible for: reviewing, negotiating, and approving cost allocation plans,

indirect cost rate and similar rates; monitoring non-Federal audit reports; conducting Federal audits as necessary; and resolving cross-cutting audit findings. The cognizant agency under the applicable cost principles and under OMB Circular A-133 may be different for a given recipient.

Cognizant Program Management Office - The organization reporting directly to the approving official that would be responsible for programmatic administration of a particular grant if awarded.

Commercial or For-Profit Organization - An organization, institution, corporation, or other legal entity, including, but not limited to, partnerships, sole proprietorships, and limited liability companies, that is organized or operated for the profit or benefit of its shareholders or other owners.

Common Accounting Number - A number used in HHS financial transactions to facilitate tracking through the HHS accounting system. It contains accounting, organizational, location, and other data elements.

Competing Continuation Application/Award - A request for/award that provides funds for additional project-related activities and extends for one or more additional budget periods (new competitive segment) a project period that would otherwise expire. For purposes of the SF 424, this type of application is termed a "renewal." Competing continuation applications compete with new applications for funds.

Competitive Segment - The initial project period recommended for support (up to 5 years) or each extension of a project period, comprised of one or more additional budget periods, resulting from a competing continuation award.

Competition - A process normally followed under discretionary grant programs whereby applications undergo objective review, and are evaluated against established review criteria and scored and ranked.

Completion Date - The date on which all work under an award is completed or the date in the Notice of Award, including any amendment thereto, on which Federal sponsorship ends (that is, the end of a project period).

Conference (Domestic and International) - A symposium, seminar, workshop, or any other organized and formal meeting, whether conducted face-to-face or via



the Internet, where individuals assemble (or meet virtually) to exchange information and views or explore or clarify a defined subject, problem, or area of knowledge, whether or not a published report results from such meeting.

Conference grant - A grant whose purpose is to support activities related to the conduct of a conference(s) or defined set of conference-related activities.

Conflict of Interest - Any action which would affect, or could appear to affect, an individual's financial interest, or would cause the individual's impartiality to be questioned. Conflicts of interest (actual or potential) may arise in the objective review process or in other activities or phases of the financial assistance process.

Consortium Agreement - A formal agreement whereby a project is carried out by a recipient and one or more other organizations that are separate legal entities. Under the agreement, the recipient must perform a substantive role in the conduct of the planned project or program activity and not merely serve as a conduit of funds to another party or parties. The relationship between the recipient and the collaborating organizations is considered a subaward relationship.

Co-Sponsorship - The joint development of a conference or similar event related to the HHS mission by HHS (including any OPDIV) and one or more non-Federal entities that share a mutual interest in the subject matter, whether or not the OPDIV provides funds to the non-Federal co-sponsor.

Construction - Construction of a new building, including the installation of fixed equipment, but excluding the purchase of land and ancillary improvements, for example, parking lots or roads.

Construction Management Contract - A contract under which an owner contracts for a guaranteed maximum price (fixed price) for technical consultation during the design stage of a facility construction (including modernization) project and for organization and direction of construction activities during the construction phase.

Consultant - An individual who provides professional advice or services for a fee, but normally not as an employee of the engaging party. The term "consultant" also includes a firm that provides paid professional advice or services.

Contract - An award instrument used to acquire from a non-federal party, by purchase, lease, or barter, property or services for the direct benefit or use of the Federal government. The same term may be used to describe a vendor

relationship between a recipient and another party under a grant; however, the recipient may use this term to mean a subaward (see “Subaward”).

Cooperative Agreement - A financial assistance instrument under which substantial involvement is anticipated between the Federal agency and the recipient during performance of the contemplated project or activity. “Substantial involvement” means that the recipient can expect Federal programmatic collaboration or participation in carrying out the effort under the award. The term does not include a cooperative research and development agreement as defined in 15 U.S.C. 3710a.

Copyright - A form of protection provided by the laws of the United States (Title 17, U.S.C.) to the authors of “original works,” including literary, dramatic, musical, artistic, and certain other intellectual works, including computer programs. This protection is available to both published and unpublished works.

Cost Allocation Plan - Any of the following may, subject to approval by the cognizant agency, be considered cost allocation plans for recipients that are governmental units (that is, State or local governments or Indian tribal governments):

- (1) “Central service cost allocation plan” means the documentation identifying, accumulating, and allocating or billing the allowable costs of services provided by a governmental unit on a centralized basis to its departments/agencies as described in OMB Circular A-87 (2 CFR part 225).
- (2) “Public assistance cost allocation plan” means the documentation identifying, accumulating, and distributing the allowable costs of services provided by a public assistance agency/department in support of all Federal financial assistance programs administered or supervised by that agency/department as described in OMB Circular A-87 (2 CFR part 225).
- (3) “Indirect cost rate proposal” means the documentation prepared by a governmental unit or subdivision thereof to substantiate its request for the establishment of an indirect cost rate as described in OMB Circular A-87 (2 CFR part 225).

Cost Analysis - The breakdown and verification of cost data proposed in an application budget, including evaluating specific elements of costs and examining them to determine the necessity, reasonableness, and allocability of the costs reflected in the budget and their allowability pursuant to the applicable Federal cost principles and other governing requirements.

Cost Principles - The government-wide principles, issued by OMB (or, in the case of commercial organizations, the Federal Acquisition Regulation, or in the case of hospitals, 45 CFR part 74, Appendix E, “Principles For Determining Costs

Applicable to Research and Development Under Grants and Contracts With Hospitals”), on allowability and unallowability of costs under federally sponsored agreements.

Cost Sharing or Matching - The portion of project or program costs not borne by the Federal government. It may include the value of allowable third party in-kind contributions, as well as expenditures by the recipient.

Cost-Sharing or Matching Alternative - An alternative for use of program income whereby income accrued during the period of grant support may be used to satisfy a cost-sharing or matching requirement. (See also “Addition Alternative” and “Deduction Alternative.”)

Cost-type Contract - A contract in which the contractor (or subcontractor) is paid on the basis of the allowable costs it incurs, with or without a fee.

Debarment and Suspension under Executive Orders 12549 and 12689 - The actions taken by a debarring official in accordance with Executive Orders 12549 and OMB guidance at 2 CFR part 180, “Nonprocurement Debarment and Suspension,” as implemented by HHS in 2 CFR part 376, to exclude a person or organization from participating in grants and other nonprocurement awards government-wide. If debarred or suspended, the person or organization may not receive financial assistance (under a grant, cooperative agreement, subaward, or contract under a grant) for a specified period of time. Debarments and suspensions carried out pursuant to 2 CFR part 376 are distinct from post-award suspension action by an OPDIV (see “Suspension”).

Debt Collection - The process of collecting funds owed by recipients to the Federal government, which, under grants, generally are owed as a result of formal cost disallowances.

Debt Instrument - A document used to record a legal obligation of one party to pay a financial obligation to another in accordance with predetermined terms and conditions.

Deduction Alternative - An alternative for the use of program income earned during the period of grant support under which allowable costs of the project or program to be paid by the Federal government are offset by the amount of the program income. (See also “Addition Alternative” and “Cost-Sharing or Matching Alternative.”)

Deferral - Postponement of action on a discretionary grant application pending another action, such as receipt of additional information.

Delinquent Federal Debt - Any Federal debt for which the applicant has not made payment in a timely manner, as determined by the date of the demand letter or other request for payment.

Departmental Appeals Board - The administrative board responsible for final departmental resolution of certain disputes arising under HHS financial assistance programs that adversely affect a recipient. Its jurisdiction is specified in 45 CFR part 16, "Procedures for HHS Grant Appeals Board" and Appendix A to that part.

Designated Official - The individual to whom the head of the OPDIV has assigned the responsibility to perform certain functions in the objective review process. This individual may be in a central review function or in the program chain of command.

Deviation - A departure on a single-case or class basis from a regulatory or policy requirement. A single-case deviation represents a request for waiver or exception sought for one grant only that arises on a case-by-case basis. A class deviation involves more than one grant for which the same type of deviation action is being requested.

Direct Assistance - An assistance support mechanism, which must be specifically authorized by statute, whereby goods or services are provided to recipients in lieu of cash. Direct assistance generally involves the assignment of Federal personnel or the provision of equipment or supplies, such as vaccines.

Direct Cost Base - The accumulated direct costs (normally either total direct salaries and wages or total direct costs exclusive of any extraordinary or distorting expenditures) to which the indirect cost rate is applied in order to distribute indirect costs to individual Federal grant awards.

Direct Costs - Costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

Disallowance - A charge to a grant that the OPDIV determines to be unallowable in accordance with the applicable Federal cost principles or other terms and conditions of the award.

Disallowance Letter - The formal letter issued to a recipient by an authorized OPDIV or other HHS official advising of specific costs that have been determined to be unallowable.

Disburse - As defined in 31 CFR 205.2, issuance of a check, initiation of an electronic funds transfer, or providing access to benefits through an electronic funds transfer.

Discretionary Grant - A grant, generally awarded on a competitive basis, which permits the Federal government to exercise judgment (“discretion”) in selecting the recipient and determining the amount of the award. Discretionary grants are sometimes referred to as “project grants.”

Document Number or Obligation Document Number - The number of an initial obligation document to which all follow-up documents (payments, refunds, etc.) will be related in the accounting system.

Domestic Conference – A conference held in the United States or its territories or possessions or Canada primarily for United States or United States-Canadian participation even if it may include foreign speakers.

Domestic Organization - A public (including a State or other governmental agency) or private non-profit or for-profit organization that is located in the United States or its territories and is subject to U.S. laws.

DUNS Number - A nine-digit number established and assigned by Dun and Bradstreet to uniquely identify a business entity.

Eligibility - The status an entity must possess in order to be considered for a grant.

Employer Identification Number - A unique number, also known as a Federal Tax Identification Number, assigned by the Internal Revenue Service and used to identify a business entity.

Entity Identification Number - A three-part coding scheme of 12 characters used in the Payment Management System to identify organizations and individuals. The first character identifies the recipient as an organization or an individual. The next nine characters are the Employer Identification Number. The last two characters are a suffix to provide distinction between organizational entities that are assigned a single Entity Identification Number and those that have more than one.

Equipment - An article of tangible, nonexpendable, personal property having a useful life of more than 1 year and an acquisition cost of \$5,000 or more. However, a recipient may use its own definition of equipment that includes an article of property with a useful life of 1 year or less, an acquisition cost of less than \$5,000, or both, as long as the definition includes all equipment covered by

the Federal definition. Regardless, the Federal definition applies for purposes of prior approval and equipment accountability.

Excess Property - The property under the control of any Federal agency that, as determined by the head thereof, is no longer required for its needs or the discharge of its responsibilities.

Excluded Parties List System - The listing maintained and disseminated by the General Services Administration that indicates those individuals and organizations debarred, suspended, or voluntarily excluded from participation in Federal procurement and, separately, nonprocurement activities, and the duration of the exclusion (see “Debarment and Suspension”).

Executive Order - An order issued by the President of the United States, which has the full force and effect of law on the Executive Branch.

Executive Order 12372 (Intergovernmental Review of Federal Programs) - The source of the requirement that State and local officials review certain proposed Federal financial assistance. For those States that participate in the process, a single State official or organization is designated for coordination of the review process and to send official State process comments and recommendations to Federal agencies. These State officials or organizations are referred to as State Single Points of Contact. (45 CFR part 100, “Intergovernmental Review of Department of Health and Human Services Programs and Activities,” is the HHS implementation of the Executive order.)

Exempt Property - Tangible personal property acquired, in whole or part, with Federal funds, where the OPDIV has statutory authority to vest title in the recipient without further obligation to the Federal government.

Expanded Authorities - Operating authorities provided to recipients that waive the requirement for awarding office prior approval for specified actions, including, when applicable, carryover of unobligated balances, incurrence of specified direct costs, and initial no-cost extensions of up to 12 months.

Expenditures - See “Outlays or Expenditures.”

Expenditure Report -

- (1) For nonconstruction grants, the Financial Status Report (SF 269 or 269A) (beginning on or before October 1, 2009, the Federal Financial Report, SF-425, SF-425A);
- (2) For construction grants, the Outlay Report and Request for Reimbursement for

Construction Programs; or  
(3) Any other OMB-approved program-specific expenditure reports.

Expiration Date - The date signifying the end of the current competitive segment, as indicated in the Notice of Award.

External Implementation - A formal HHS or OPDIV issuance, whether in a programmatic or grants management context, based on the HHS grants administration regulations, a GPD, or an AAGAM chapter that specifies grant-related policies and requirements that apply to recipients.

Facilities and Administrative Costs - See “Indirect Costs.”

Fair Market Value - The price that a prudent person would pay for property, services, or other assets at a particular time under free market conditions in the conduct of competitive business. This may be determined in a variety of ways, including an independent appraisal.

Federal Acquisition Regulation (FAR) - The codification of government-wide policies and procedures at 48 CFR Chapter 1 used for acquisition of goods or services by executive agencies of the Federal government except those that are statutorily exempted.

Federal Cash Transactions Report - A standard form, PSC 272, completed by a recipient that shows the status of cash advanced under all grant awards to the recipient under its grants awards. (NOTE: This report will be replaced by the Federal Financial Report (SF-425, SF-425A) on or before October 1, 2009.)

Federal Demonstration Partnership (FDP) - A cooperative initiative among participating Federal agencies, including some HHS OPDIVs, selected organizations receiving Federal funding for research, and some research policy organizations, which engages in demonstration projects intended to simplify and standardize Federal requirements in order to increase research productivity and reduce administrative costs.

Federal Financial Participation – As defined in 45 CFR part 95, the Federal share of entitlement grants under which the OPDIV is required to pay a specified percentage of allowable program costs.

Federal Funds Authorized - The total amount of funds obligated by the Federal government under an award, which serves as the ceiling on Federal participation. After the initial budget period of a competitive segment, this amount may include

any authorized carryover of unobligated Federal funds from a prior funding period.

Federal Interest - When used in conjunction with the acquisition of real property, equipment, or supplies under an award (whether paid by Federal funds or satisfying some or all of a matching or cost sharing requirement), the dollar amount that is the product of the Federal share of project costs multiplied by the current fair market value of the property.

Federal Share - The amount, generally expressed both in dollars and as a percentage, of the total approved budget for a project or program, whether provided as funds, property, or direct assistance, provided by the Federal government. The Federal share and any non-Federal share are so noted on the Notice of Award.

Federally Recognized Indian Tribe - Any Indian tribe, band, nation, or other organized group or community (including any Native village as defined in, or established under, the Alaska Native Claims Settlement Act [43 U.S.C. § 1601 et seq.]) that is recognized by the United States as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Fee - An amount, in addition to actual, allowable costs, paid to an organization providing goods or services consistent with normal commercial practice. This payment also is referred to as “profit.”

Field Reader - An individual that independently reviews grant applications as part of an objective review process but not as part of a committee or panel. Field readers may function in the same manner as objective review group members except that they do not meet to discuss applications and their evaluations are submitted by mail.

Financial Assistance Instrument - Although there are other types of financial assistance instruments, for purposes of the GPDs and the AAGAM, a grant or cooperative agreement.

Financial Conflict of Interest - The existence of a significant financial interest of an investigator (and his/her spouse and dependent children) that would reasonably appear to be affected by the research for which funding is sought from an OPDIV



and in entities whose financial interests would reasonably appear to be affected by the research. A significant financial interest is as anything of monetary value, including but not limited to: salary or other payments for services, such as consulting fees or honoraria); equity interests, such as stocks, stock options or other ownership interests; and intellectual property rights, such as patents, copyrights and royalties from such rights).

Financial Status Report (FSR) - A standard Federal form (SF-269 [long form] or SF-269A [short form]) used to monitor the financial progress of nonconstruction grants, by showing the status of Federal funds and required matching or cost sharing. These forms will be replaced by the Federal Financial Report (SF 425, SF-425A).

Flow-Down/Flow-Through Provisions - Terms and conditions of the Federal award that are required to be applied to subrecipients and their subawards, that is, “flowed down” by the recipient. In most cases, these requirements are the same requirements that apply to the recipient/grant. In other cases, a requirement that may not apply to the recipient because of its entity type may be required to be flowed down to a subrecipient/award.

Foreign Component - A component of a grant to a domestic organization that provides support to any significant element or segment of the project to be performed outside the United States (including the involvement of human subjects or laboratory animals; extensive foreign travel for the purpose of data collection, surveying, sampling, and similar activities; and any activity of the recipient that may involve the population, environment, resources, or affairs of a foreign country), either by the recipient’s project staff or individuals employed by a foreign organization (for example, under a contract or a consortium agreement). Foreign travel for consultation is not considered a foreign component.

Foreign Organization - A public or private organization, whether non-profit or for-profit, located in a country other than the United States and its territories that is subject to the laws of the country in which it is located, irrespective of the citizenship of project staff or place of performance.

Formal Advertising (Sealed Bidding) - The method of contracting that involves preparing an invitation for bids describing the requirement; publicizing the invitation for bids through distribution to prospective bidders, posting in public places, publication in newspapers, notices in trade journals, and such other means

as may be appropriate; public opening of bids; and award of the contract to the responsible bidder whose bid, without negotiation, conforms to the invitation for bids and contains the lowest price.

Funding Opportunity Announcement - A formal published announcement of the availability of Federal funding under one or more Federal financial assistance programs. The announcement invites applications and provides information related to the funding opportunity, such as eligibility and evaluation criteria, funding preferences/priorities, how to obtain application materials (if needed in hard copy), and the submission deadline. This type of announcement also may be termed “program announcement” or “request for applications.”

Funding Period - The period of time when Federal funding is available for obligation by a recipient. For HHS discretionary grants, this generally means the “budget period.”

Government or Governmental Organization - A State or local government or federally recognized Indian tribal government or any subdivision thereof. The term does not include institutions of higher education and hospitals, Federal institutions, or federally funded research and development centers.

Grant - A legal instrument used by the Federal government to enter into a relationship the principal purpose of which is to transfer anything of value to a recipient to carry out a public purpose of support or stimulation authorized by statute. The financial assistance may be in the form of money, or property in lieu of money. The term does not include: a Federal procurement subject to the Federal Acquisition Regulation; technical assistance (which provides services instead of money); or assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct payments of any kind to individuals. A grant is distinguished from a cooperative agreement in that there is no anticipated substantial programmatic involvement by the Federal government during performance; however for purposes of the GPDs and AAGAM, unless otherwise specified, references to “grant” include “cooperative agreement.”

Grantee - See “Recipient.”

Grants.gov – A government-wide portal through which the public and potential applicants can search for competing discretionary grant funding opportunities, as well as submit applications for those opportunities and for other non-competing discretionary or mandatory grants.

Grants Management Officer - The individual designated to serve as the HHS official responsible for the business and non-programmatic management aspects of a particular grant(s) or cooperative agreement(s). In this capacity, the GMO is responsible for all Federal business management matters associated with the review, negotiation, award, and administration of the assigned grants and interprets grants administration policies and provisions. He/she works closely with the Federal project officer or program official, who is responsible for the scientific, technical, and programmatic aspects of the grant. The Grants Management Officer also serves as the counterpart to the business officer of the recipient organization.

Grants Management Specialist - A Federal staff member, working under the guidance of a Grants Management Officer, who oversees the business and other non-programmatic aspects of one or more grants and/or cooperative agreements.

Grants Policy Directives - The highest-level source of internal HHS policies affecting HHS grants and cooperative agreements. GPDs are issued solely as a means of establishing grants management requirements for HHS staff.

Health and Human Services Acquisition Regulation - The HHS codification(48 CFR Chapter 3) of acquisition policies and procedures that implement and supplement the Federal Acquisition Regulation.

High-risk - A designation applied to a recipient that is at risk of financial failure or inability to perform based on a history of poor performance or poor business practices, financial instability, or lack of management systems that meets the required financial management standards. This designation allows additional or alternate terms and conditions to be used to protect the Federal government's interests without the need for obtaining a deviation.

Human Subjects - Individuals whose physiologic or behavioral characteristics and responses are the object of study in a research project. Under federal regulations, human subjects are defined as living individuals about whom an investigator conducting research obtains data through intervention or interaction with the individuals or identifiable private information. (45 CFR part 46 is the HHS implementation the common rule concerning the protection of human subjects.)

Incremental Funding - The process by which an awarding office funds multi-year projects in increments (generally annually) called budget periods.

Independent Auditor - An accountant, accounting firm, public or private agency, association, corporation, or partnership sufficiently independent of the

organization being audited to render objective and unbiased opinions, conclusions, and judgments.

Independent Review - See “Objective Review.”

Indirect Cost Proposal - The documentation prepared by a applicant/recipient to substantiate its request for the establishment of an indirect cost rate.

Indirect Cost Rate - The rate negotiated by the cognizant Federal agency that is used as the basis for reimbursing indirect costs. The rate may be applicable to an entire organization, on-site activities or off-site activities only, a particular site, or specified activities. The rate must be effective for the period for which reimbursement is claimed. Rates may be fixed, predetermined, provisional, or final, consistent with the applicable Federal cost principles (see “Direct Cost Base”).

Indirect Cost Rate Agreement - The document that formalizes the establishment of an indirect cost rate(s) and provides information on the proper application of the rate(s).

Indirect Costs - Those costs that are incurred by a recipient (or subrecipient or cost-type contractor) for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, program, or activity, but are nevertheless necessary to the operations of the organization. For example, the costs of operating and maintaining facilities, depreciation, and administrative salaries generally are treated as indirect costs. (Note: for organizations subject to OMB Circular A-21 [currently located in 2 CFR part 220], the term “facilities and administrative costs” is used to denote indirect costs.)

Initial Review Group - Under peer review, a group composed of primarily non-Federal scientific or technical experts who conduct the initial scientific and technical merit review of grant applications.

Institutional Review Board - An administrative body established to protect the rights and welfare of human research subjects recruited to participate in research activities conducted under the auspices of the organization with which it is affiliated. The Institutional Review Board has the authority to approve, require

modifications in, or disapprove all research activities that fall within its jurisdiction.

Intangible Property – Property that does not have physical existence. The term includes copyrights, patents, and other intellectual property generated or developed under awards. It also includes copyrights for which assignments of rights are acquired under awards; patents and other intellectual property for which ownership is acquired under awards; loans, notes, and other debt instruments (even if considered tangible for some purposes); lease agreements; and stock and other instruments of property ownership.

Interagency Agreement - A written agreement between two or more Federal agencies under the authority of the Economy Act or other statutory authority that specifies the rights and obligations of each agency under the agreement; deliverables; period of performance; if applicable, a budget and other funding information; and applicable terms and conditions.

Internal Implementation - Any OPDIV issuance that establishes policies and procedures for OPDIV staff to implement HHS grants administration regulations, GPDs, or the AAGAM.

International Conference – A conference so designated by its sponsor, or one that potentially involves participants from two or more countries (other than the United States or Canada). The meeting may be held in any country, including the United States, consistent with any Department of State restrictions.

International Organization - An organization that has membership from and represents the interests of more than one country, without regard to whether the headquarters and location of a grant-supported activity is inside or outside the United States.

Invention - Any discovery which is or may be patentable or otherwise protectable. The term “subject invention” means any invention conceived or first actually reduced to practice in the performance of work under a funding agreement, that is, contract, grant, or cooperative agreement.

Invention Reporting - The requirement pursuant to 37 CFR part 401 that recipients of contracts, grants, or cooperative agreements fully disclose any subject inventions made during the performance of work under a funding agreement in order to protect the Federal government’s rights.

Key Personnel - The principal investigator/co-principal investigator (s)/program or project director and other individuals who, as determined by the OPDIV, contribute to the programmatic development or execution of a project or program in a substantive, measurable way, whether or not they receive salaries or compensation under the grant.

Letter of Intent – A preliminary, non-binding indication of an organization's intent to submit an application.

Liquidated Damages - An amount defined in a contract and chargeable against funds due to the contractor for each day the contractor fails to complete the project beyond the contract completion date.

Local Government - A county, borough, municipality, city, town, township, parish, local public authority (including any public or Indian housing agency), school district, special district, intra-State district, council of governments (whether or not incorporated as a nonprofit corporation under State law), any other regional or interstate government entity (such as a regional planning agency), or any agency or instrumentality of a local government. The term does not include institutions of higher education or hospitals.

Low-Cost Extension - A non-competitive extension of time to a project period (competitive segment), along with a minimal amount of additional Federal support to complete the work under a grant..

Maintenance of Effort - A requirement contained in the authorizing statute or program regulations stating that, in order to receive Federal grant funds, a recipient must agree to maintain a specified level of financial effort (using a specified baseline period, such as the year prior to the initiation of grant support) for the grant from its own resources and other non-Federal sources.

Mandatory Formula Grant - A type of formula grant program under which OPDIVs do not have discretion in making awards. Under these programs, the State or other recipient is required to provide a plan/application indicating how they plan to use the amount to be provided, determined by use of a formula, which is reviewed and/or approved by the OPDIV. The award must be carried out consistent with Federal requirements and the recipient's assurances.

Mandatory Grant - A grant that a Federal agency is required by statute to award if the recipient (usually a State) submits an acceptable plan or application and meets the eligibility and compliance requirements of the statutory and regulatory provisions of the program. Mandatory grants include open-ended entitlement

grants, closed-ended entitlement grants, mandatory formula grants, and block grants.

Material Equity Lease - A lease under which the lessee acquires a material equity in the leased property. A material equity in the property exists if the lease is noncancelable, or is cancelable only upon the occurrence of some remote contingency, and has certain other characteristics related to the purchase price or subsequent title to the property. Material equity leases are also referred to as “capital leases.”

Modernization - Alteration, renovation, remodeling, improvement, expansion, or repair of, or completion of shell space in an existing building (whether for storage or for human occupancy).

Monitoring - A process whereby the programmatic and business management performance aspects of a grant are reviewed after award by collecting and assessing information from reports, audits, site visits, and other sources.

Name change (in relation to an organization) - An action that changes the legal name of an organization without otherwise affecting the rights and obligations of the organization as a recipient of an OPDIV grant(s).

National Advisory Council/Board - An administrative body that may be composed of both scientists and lay members, which may serve as a second level of objective review, generally for applications subject to peer review. The Council/Board may also offer advice and make recommendations on matters of significance to the policies, missions, and goals of the OPDIV or programs they advise.

No-Cost Extension - A noncompetitive extension of time to the final budget period of a competitive segment, without additional Federal funds, to complete the work under a grant or avoid a hiatus while a competing continuation application is under consideration.

Non-Competing Continuation Application/Award - A financial assistance request (in the form of an application or performance/progress report) or resulting award for a subsequent budget period within a previously approved project period for which a recipient does not have to compete with other applicants.

Nongovernmental Organization - A public or private institution of higher education; public or private hospital; Indian tribe that is not federally recognized; Indian tribal organization; or quasi-public or private nonprofit organization or commercial organization. The term does not include a government, an individual,

a Federal agency, or a foreign or international organization (such as an agency of the United Nations).

Non-Federal Share – When cost sharing or matching is required as a condition of an award, the portion of allowable project/program costs not borne by the Federal government.

Nonprofit Organization - Any corporation, trust, association, cooperative, or other organization that is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; is not organized for profit; and uses net proceeds to maintain, improve, or expand the operations of the organization. Nonprofit organizations include institutions of higher education, hospitals, and tribal organizations (that is, Indian entities other than federally recognized Indian tribal governments).

Notice of Award - The official document, signed (or the electronic equivalent of signature) by a Grants Management Officer that:

- (1) notifies the recipient of the award of a grant;
- (2) contains or references all the terms and conditions of the grant and Federal funding limits and obligations; and,
- (3) provides the documentary basis for recording the obligation of Federal funds in the HHS accounting system.

Objective Review – A process that involves the thorough and consistent examination of applications based on an unbiased evaluation of scientific or technical merit or other relevant aspects of the proposal. The review is performed by persons expert in the field of endeavor for which support is requested, and is intended to provide advice to the individuals responsible for making award decisions.

Obligations - Amounts for which the recipient has made binding commitments for orders placed for property and services, contracts and subawards, and similar transactions during a funding period that will require payment during the same or a future period.

OMB Circulars – Governmentwide guidance issued to Heads of Federal agencies by the Director of OMB. OMB Circulars directly pertinent to grants include the following: cost principles, uniform administrative requirements; audit requirements for non-profit organizations. These circulars, their applicability and



how they are implemented are indicated below. As indicated, some (but not all) of these OMB Circulars have been reissued in Title 2 of the Code of Federal Regulations.

(1) Uniform administrative requirements

OMB Circular A-102 and A-102 Common Rule – guidance that establishes uniform administrative requirements for grants and cooperative agreements to State and local governments and federally recognized Indian tribal governments. The implementing common rule for HHS is 45 CFR part 92.

OMB Circular A-110 -guidance, re-issued in 2 CFR part 215 and implemented by HHS in 45 CFR part 74, which establishes uniform administrative standards for grants and cooperative agreements to non-profit, nongovernmental, domestic organizations.

(2) Cost principles, which are incorporated by reference in 45 CFR parts 74 and 92

OMB Circular A-21 - the principles for determining allowability of costs incurred by institutions of higher education under federally sponsored agreements, reissued in 2 CFR part 220.

OMB Circular A-87 - the principles for determining allowability of costs incurred by State, local and federally recognized Indian tribal governments under federally sponsored agreements, reissued in 2 CFR part 225.

OMB Circular A-122 - the principles for determining allowability of costs incurred by nonprofit organizations (other than institutions of higher education and hospitals) under federally sponsored agreements, reissued in 2 CFR part 230.

Note that the allowability of costs incurred by commercial organizations is determined in accordance with the provisions of the Federal Acquisition Regulation (FAR), Part 31.

(3) Audit requirements

OMB Circular A-133 - The OMB Circular establishing audit requirements for States, local governments, Indian tribes and nonprofit organizations.

Open-Ended Entitlement Grant - A type of mandatory grant where based on compliance with programmatic requirements, for example, provision of specified services to eligible beneficiaries, the OPDIV is required to reimburse the recipient (generally a State) for all or a portion of eligible costs and there is no upper limit on the amount of funds the Federal government will pay for allowable services and activities (as specified in the governing statute and implementing regulations).

Outlays or Expenditures - The charges made by a recipient to the federally sponsored project or program. Charges may be reported on a cash or accrual basis (see “Accrual Basis” and “Cash Basis”).

Patent - A property right awarded by the Federal government whereby the Government grants the right to exclude others from making, using, or selling the invention for a period of years.

Payment Management System - The HHS centralized grants payment system, operated by the Division of Payment Management, Program Support Center. Most HHS (and some other Federal government agencies’) recipients are receive grant payments through this system. This system also is referred to as SMARTLINK.

Peer Review - A form of objective review required by statute. It is an assessment of scientific or technical merit of applications by individuals with knowledge and expertise equivalent (peer) to that of the individuals whose applications for support they are reviewing, that is, reviewers who are the professional equals of the principal investigator or program/project director for the proposed project and who often are engaged or were previously engaged in comparable activities.

Pre-Application - A preliminary submission, providing summary-level information, concerning an organization’s intent to submit an application for Federal funds under a funding opportunity announcement. It differs from a letter

of intent in that it includes information that an OPDIV is required to evaluate and on which feedback must be provided. It is used to determine the organization's eligibility; the standing of the proposed project compared to other pre-applications; and those applications with little or no chance for Federal funding, before applicants incur significant expenditures for preparing an application. Pre-applications are required for all construction projects for which anticipated Federal funding exceeds \$1 million.

Pre-Award Cost - Any cost incurred prior to the beginning date of the project period or the initial budget period of a competitive segment (under a multi-year award), in anticipation of the award and at the applicant's own risk, for otherwise allowable costs.

Principal – In conjunction with the suspension and debarment requirements and definitions in 2 CFR part 376,

- (1) an officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction;
- (2) a consultant or other person, whether or not employed by the participant or paid with Federal funds, who is in a position to handle Federal funds; influence or control the use of those funds; or occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction.

Principal Investigator/Co-Principal Investigator/Program or Project Director - An individual(s), designated by the recipient, who is responsible for directing the project or program being supported by a grant. He/she is responsible and accountable to officials of the recipient organization for the proper conduct of the project, program, or activity.

Prior Approval –The written permission that must be obtained before the recipient may undertake certain activities (whether performance of a new or modification of a previously approved activity), expend funds for specific direct costs, or exceed a certain aggregate dollar level. If the costs or other actions requiring prior approval are specifically identified in an application, approval of the application, and issuance of an award based thereon, constitutes such authorization; otherwise, the approval must be obtained from the Grants Management Officer. Prior approval for components of indirect costs must be obtained from cognizant agency or as specified in the applicable cost principles.

Program Income - Gross income earned by a recipient and/or subrecipient that was directly generated by the grant-supported activity or earned as a result of the

award. Program income includes (but is not limited to) fees for services performed, the use or rental of real or personal property acquired under the grant, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and payments of interest on loans made with grant funds. Except as otherwise provided in statute, regulation, or the terms and conditions of the award, program income does not include rebates, credits, discounts, or interest earned in relation to program income; the receipt of principal on loans or interest the recipient earns on those amounts after receiving them from the borrower; taxes, special assessments, levies, fines, or similar revenues raised by a governmental recipient or subrecipient. The term also does not include interest earned on advances of Federal funds and proceeds from the sale of equipment or real property acquired under an award, which have distinct accountability requirements.

Program Information File - A file containing the general information affecting a Federal financial assistance program, for example, the authorizing statute and funding opportunity announcement.

Progress or Performance Report - A report submitted by the recipient for each grant in the frequency specified by the awarding office—usually annually, but generally no more frequently than quarterly—and in accordance with awarding office instructions on content. Generally such reports contain information on the comparison of actual accomplishments to objectives established for the period covered by the report.

Project Costs - The total allowable costs incurred by a recipient and charged to the award during a budget period, whether paid by Federal funds or contributed by the recipient to meet a matching or cost-sharing requirement, and the value of any third-party in-kind contributions counted toward the recipient's matching or cost-sharing requirement.

Project Officer/Program Official - The individual designated by the OPDIV who is responsible for the programmatic, scientific, and/or technical aspects of HHS programs. He/she serves as the counterpart to the Grants Management Officer, who is responsible for all business management aspects of a grant.

Project Period - The total time for which Federal support has been programmatically approved as shown in the Notice of Award; however, it does not constitute a commitment by the Federal government to fund the entire period.

The total project period comprises the initial competitive segment, any subsequent competitive segments resulting from a competing continuation award(s), and any no-cost or low-cost extension(s).

Property - Unless otherwise stated, real property (including purchase, construction or improvements), equipment, and intangible property, including debt instruments.

Real Property - Land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

Reasonable Cost - A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

Recipient - The entity receiving a grant or cooperative agreement directly from a Federal agency to carry out a project or program. Although the project or program may be performed by a component of the larger entity, the entire legal entity named on the Notice of Award is legally responsible for carrying out the program or project.

Reimbursement Payment - A payment made to a recipient, upon its request, after cash disbursements are made by the recipient. Reimbursement payments are considered the exception and are generally used for construction grants; when a recipient has been determined to be “high-risk;” or when a recipient elects to be financed on a reimbursement basis as opposed to an advance method of payment.

Replacement Equipment - Equipment acquired to take the place of other equipment. To qualify as replacement equipment and be considered an allowable cost, it must serve the same function as the equipment replaced and must be of the same nature or character, although not necessarily the same model, grade, or quality.

Research - A systematic, intensive study intended to increase knowledge or understanding of the subject studied, a systematic study specifically directed toward applying new knowledge to meet a recognized need, or a systematic application of knowledge to the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements. Also termed “research and development.”

Research Misconduct - Fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. Fabrication is

making up data or results and recording or reporting them. Falsification is manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record. Plagiarism is the appropriation of another person's ideas, processes, results, or words without giving appropriate credit. The term does not include honest error or differences of opinion.

Research Patient Care - Routine and ancillary services provided by hospitals to patients participating in research programs. The costs of these services are normally assigned to individual research projects through the development and application of research patient care rates or amounts (collectively referred to as "rates").

Research Patient Care Cost Proposal/Agreement - The documentation submitted by a hospital to substantiate its claim for the reimbursement of research patient care costs. This proposal provides the basis for establishment of the hospital's research patient care rates. The agreement formalizes the established research patient care rates and provides information on the proper application of the rates. Such rates may be provisional or final.

Reversionary Interest - The reservation of a right by the Federal government in tangible personal property or real property acquired as part of a grant-supported project, that is, with Federal funds and/or required matching or cost sharing, which requires the OPDIV to be reimbursed for its share of the property upon disposition.

Significant Rebudgeting - A threshold that is reached when expenditures in a single direct cost budget category deviate (increase or decrease) from the approved budget amount for that budget category for that budget period by a specified amount, usually more than 25 percent of the total costs awarded. Significant re-budgeting is one indicator of change in scope.

Single-Source Award - A new, competing continuation, or competing supplemental award that, based on an approved, written justification, is not competed either on an open competition or limited competition basis.

Small Business Concern - A business that is independently owned and operated; is not dominant in the field of operation; has its principal place of business in the United States; is organized for profit; is at least 51 percent owned or, in the case

of a publicly owned business, at least 51 percent of its voting stock is owned by U.S. citizens or lawfully admitted permanent resident aliens; has, including its affiliates, not more than 500 employees; and meets other regulatory requirements established by the SBA at 13 CFR part 121, "Small Business Size Regulations."

Special-Purpose Equipment - Equipment that is usable only for research, medical, scientific, or other technical activities. This includes such items as microscopes, X-ray machines, and surgical instruments. The governing criterion for distinguishing general-purpose equipment from special purpose equipment is the potential use of the equipment, not its actual use.

State Government - The government of any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any U.S. territory or possession, or any agency or instrumentality of a State exclusive of local governments. State institutions of higher education and State hospitals are not considered State governments for purposes of the HHS general administrative requirements for grants, GPDs, the AAGAM, or the *HHS Grants Policy Statement*.

State Plan - A plan submitted to a Federal agency that describes the proposed uses of Federal funds and assures compliance with pertinent statutory and regulatory requirements. A State plan rather than an application generally is required under mandatory grant programs.

State Public Assistance Agency - The State agency administering or supervising the administration of the public assistance programs (as specified in 45 CFR part 95) operated by a State.

Stewardship - The responsible management of Federal grant funds by Federal officials. This involves ensuring adequate separation of responsibilities and internal controls, written policies and procedures and assessment of compliance with them, oversight of the process of evaluating and awarding grants, and active post-award management of grants to ensure that performance is satisfactory, funding is properly and prudently utilized, and applicable laws and regulations are followed.

Stipend - A payment made to an individual under a fellowship or training grant in accordance with pre-established levels to provide for the individual's living expenses during the period of training. A stipend is not considered compensation for the services expected of an employee.

Subaward - A legal instrument by which a recipient provides funds (or property in lieu of funds) to an eligible subrecipient (or a lower-tier transaction) to perform a substantive portion of the grant-supported program or project. The term includes

such financial assistance when provided by any legal agreement (even if the agreement is called a contract) but does not include any form of assistance which is excluded from the definition of “grant,” including the recipient’s procurement of property or services needed to carry out the project or program. The term includes consortium agreements.

Subrecipient - A party that receives a subaward from a recipient or another subrecipient under a Federal financial assistance award and is accountable to the recipient or subrecipient for the use of the Federal funds provided by the subaward.

Successor-in-Interest - A process whereby the rights to, and obligations of, an OPDIV grant(s) (and, possibly, other Federal grants) are acquired incidental to the transfer of all of the assets of the recipient or all of that part of the assets involved in the performance of the grant. Such transfer may result from legislative action or other legal action such as a merger (that is, the unification of two or more legal entities), divestiture, or other corporate change. The result is a change in the organizational entity with legal and financial responsibility for the grant, but no change in the organizational segment actually performing the approved project.

Supplement – A request for/the award of additional funds during a current budget period to:

- (1) support new or additional activities which are not identified in the current award representing a change in scope;
- (2) support an expansion of the grant-approved activities; or
- (3) provide for an increase in costs due to unforeseen circumstances.

Supplement Not Supplant - A form of maintenance-of-effort requirement, generally provided in statute, that specifies that Federal funds received may not be used to reduce the amount of State, local, or other funds previously spent for the same or similar purposes. The baseline for a “supplement-not-supplant” requirement may be the recipient’s previous fiscal year or another baseline year or period.

Supplies - All tangible personal property excluding equipment.

Surplus Property - Property that is no longer needed by the Federal government, declared surplus by the General Services Administration, and available for donation for authorized purposes.

Suspension – A term that has two different meanings. In the post-award context only, an action by an awarding office that temporarily suspends a recipient’s authority to incur costs under an award, pending corrective action by the recipient



or pending a decision by the OPDIV to terminate the award. In a pre-award or post-award context, suspension also means, under agency regulations implementing Executive Order 12549, “Debarment and Suspension,” and 2 CFR part 180, the action (or effect of an action) to temporarily limit an organization’s eligibility to receive nonprocurement awards from any Federal agency.

Tangible Property - Equipment, supplies, and any other property other than that defined as intangible property.

Termination - Permanent withdrawal by an awarding office of a recipient’s authority to obligate previously awarded grant funds before that authority would otherwise expire, including the voluntary relinquishment of that authority by the recipient. Termination is distinct from HHS’ refusal to provide additional funds through a non-competing continuation award (see “Withholding of Support”).

Termination Costs - Costs incurred, or the need for special treatment of costs, which would not have arisen had the award not been terminated.

Terms and Conditions - All legal requirements imposed on an award by the awarding office, whether by statute, regulation, or policy, and whether referenced or specified in full text in the Notice of Award.

Third-Party In-Kind Contributions - The value of non-cash contributions directly benefiting a grant-supported project or program that are provided by non-Federal third parties without charge to the recipient, the subrecipient, or a cost-type contractor under a grant or subaward. In-kind contributions may be in the form of real property, equipment, supplies, or other expendable property, or goods and services directly benefiting and specifically identifiable to the project or program.

Tracking Accountability in Government Grants System – The HHS-wide management information system that collects data on grant awards and feeds government-wide databases such as USASpending.gov and the Federal Assistance Awards Data System.

Training Project - A type of discretionary grant support designed to provide student or staff training in techniques pertaining to research or the delivery of certain services.

Unliquidated Obligation -

(1) For reports prepared on a cash basis, the amount of obligations incurred by the recipient that has not been paid; or

(2) For reports prepared on an accrued expenditure basis, the amount of obligations incurred by the recipient for which an outlay has not been recorded.

Unobligated Balance - The portion of the funds authorized by the Federal agency for expenditure by the recipient that has not been obligated by the recipient.

Unsolicited Application - An application received for a project which is not within the scope of any funding opportunity announcement issued or expected to be issued, but which clearly is within the scope of activities which can be supported by the Federal awarding agency. Such applications must be submitted in writing and solely on the applicant's own initiative, without prior formal or informal solicitation by a Federal official. Unsolicited applications are distinguished in their handling from investigator-initiated research applications submitted in response to broadly based funding opportunity announcements.

Unrecovered Indirect Costs - The difference between the amount eligible for reimbursement under the recipient's approved, negotiated indirect cost rate and the amount claimed by the recipient.

Urgent Application - An application that cannot follow the normal competitive process because, in order for the objective of the project to be achieved, support must be provided immediately. An urgent application generally is solicited on a single-source basis, but also may be solicited through limited competition.

Vertebrate Animal - Any live animal having a backbone or spinal column used or intended for use in research, research training, experimentation or biological testing or for related purposes.

Withholding of Payment - An action taken by an awarding office, after appropriate administrative procedures have been provided, which delays a recipient's ability to access its grant funds until the recipient takes needed corrective action.

Withholding of Support - A decision by an OPDIV not to make a non-competing continuation award within a previously approved project period.

### C. Abbreviations and Acronyms

AAGAM	Awarding Agency Grants Administration Manual
ACF	Administration for Children and Families
ACH	Automated Clearinghouse
AHRQ	Agency for Healthcare Research and Quality

AoA	Administration on Aging
AOR	Authorized Organizational Representative
A&R	alteration and renovation
ASPE	Assistant Secretary for Planning and Evaluation
ASAM	Assistant Secretary for Administration and Management
ASPR	Assistant Secretary for Preparedness and Response
ASRT	Assistant Secretary for Resources and Technology
CAN	Common Accounting Number
CCR	Central Contractor Registration
CDC	Centers for Disease Control and Prevention
CMS	Centers for Medicare and Medicaid Services
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
DAB	Departmental Appeals Board
DCA	Division of Cost Allocation
DFAS	Division of Financial Advisory Services, NIH
DUNS	Dun and Bradstreet Universal Numbering System
EFT	Electronic funds transfer
EIN	Employer Identification Number
EIN (HHS)	Entity Identification Number
EO	Executive order
FAADS	Federal Assistance Awards Data System
FAC	Federal Audit Clearinghouse
FAR	Federal Acquisition Regulation
FCTR	Federal Cash Transactions Report
FDA	Food and Drug Administration
FDP	Federal Demonstration Partnership
FFP	Federal financial participation
FOIA	Freedom of Information Act
FSR	Financial Status Report
FWA	Federalwide assurance
GMLOB	Grants Management Line of Business
GMO	Grants Management Officer
GMS	Grants Management Specialist
GPD	Grants Policy Directive
GSA	General Services Administration
HHS	Department of Health and Human Services
HHSAR	Health and Human Services Acquisition Regulation
HRSA	Health Resources and Services Administration
IACUC	Institutional Animal Care and Use Committee
IHS	Indian Health Service
IRB	Institutional Review Board
IR&D	Independent research and development

IRG	Initial review group
IRS	Internal Revenue Services
LOI	Letter of Intent
NEARC	National External Audit Review Center, OIG, HHS
NEPA	National Environmental Policy Act
NFI	Notice of Federal Interest
NHPA	National Historic Preservation Act
NIH	National Institutes of Health
NoA	Notice of Award
OCR	Office for Civil Rights
OF	Optional Form
OGPOE	Office of Grants Policy, Oversight, and Evaluation
OHRP	Office for Human Research Protections
OIG	Office of the Inspector General
OLAW	Office of Laboratory Animal Welfare
OMB	Office of Management and Budget
OPHS	Office of Public Health and Science
ORI	Office of Research Integrity
PD	Program Director
PHS	Public Health Service
PI	Principal Investigator
PL	Public Law
PMS	Payment Management System
PO	Project Officer/Program Official
PRA	Paperwork Reduction Act
PSC	Program Support Center
R&D	research and development
RFA	request for applications
SAMHSA	Substance Abuse and Mental Health Services Administration
SBIR	Small Business Innovation Research Program
SF	Standard Form
SPOC	State Single Point of Contact
STTR	Small Business Technology Transfer Program
TAGGS	Tracking Accountability in Government Grants System
TIN	Taxpayer Identification Number
USC	United States Code

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